

STATE PLAN UNDER TITLE XIX FOR THE SOCIAL SECURITY ACT

State/Territory: HAWAIIRequirements for Third Party Liability -
Identifying Liable Resources

- 1) The frequency of data exchanges are as follows: State wage information collection agency (SWICA) - Monthly; SSA wage and earnings files - semi-annual; State Title IV-A agency - weekly; State workers' Compensation - quarterly; state motor vehicle accident report files - N/A (see 42 CFR 433.138 (d)(5)). Diagnosis and trauma code edits are conducted simultaneously as claims are processed.
- 2) Within 30 days, follow-up (when appropriate) on data exchange is made in order to identify legally liable third party resources and incorporate such information into the eligibility case file and into its third party data base so the agency may process claims under the third party liability payment procedures specified in Section 433.139(b) through (f). The method is by personal contact with the applicant/recipient by the eligibility worker to investigate eligibility under the third party resource.

Health insurance information and workers' compensation data exchange information follow-up (when appropriate) will be conducted within sixty (60) days in order to identify legally liable third party resources and incorporate such information into the eligibility case file and into its third party data base so the agency and QUEST Health Plans may process claims under the third party liability payment procedures specified in Section 433.139 (b) through (f).

- 3) See item 1 above.
- 4) With the exception of code 994.6, action is taken to identify those paid claims for Medicaid recipients that contain diagnosis codes 800 through 999 and "e" prefix codes (ICDCM) International Classification of Disease, 9th Revision Clinical Modification (Volume 1), inclusive for the purpose of determining the legal liability of third parties so that the agency may process claims under the third party liability procedures specified in Section 433.139 (b) through (f).

Diagnosis codes that yield the highest third party collections are identified yearly and given highest priority for follow-up.

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When a recipient who is receiving medical assistance is involved in an accident and medical treatment is necessary, the recipient is required to notify the Caseworker within ten (10) days. The DHS Forms 1125 (Assignment of Payment) and 1125A (Accident Report) are completed by the Caseworker and sent to the State Agency's Third Party Liability (TPL) Medical Recovery Unit for review. If a liable third party is identified, a medical lien is developed and notarized by the TPL Medical Recovery Unit and sent to the liable third party by certified mail. For Medicaid recipients, the medical expenses incurred information is obtained from the MMIS. For Quest Health Plan recipients, the medical expense incurred information is obtained from the Quest Health Plan.

If a recipient receives medical treatment for an accident and fails to report the accident to the Caseworker, an accident letter is generated and sent to the recipient when a \$500 or more of medical expenses are paid. The accident letter instructs the recipient to report the accident to the Caseworker. The recipient who is injured in the accident is identified by the diagnosis code(s) on the claim. (See item 4 above). Accident letters are generated on a quarterly basis.

A TPL subrogation code 41 is entered in the recipient's eligibility file by the Caseworker when the accident is reported by the recipient.

To ensure that medical expenses are recovered, Attorneys representing a claimant, by statute, must make a reasonable inquiry with the Department as to whether the claimant has received medical assistance or is receiving medical assistance related to the incident. Before the release of any award or settlement proceeds, the claimant, attorney, or representative must notify the Department immediately. If notification is received, the TPL Medical Recovery Unit takes immediate action to obtain the medical expense incurred information from the Quest Health Plan or Medicaid Program (MMIS) and pursues recovery.

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